

DOMINION FOUNDRIES AND STEEL, LIMITED

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual meeting of the shareholders of Dominion Foundries and Steel, Limited will be held at the office of the Company, 1330 Burlington Street East, Hamilton, Ontario, on Friday, April 30, 1976 at twelve o'clock noon, Hamilton time, for the following purposes:

1. To receive and consider the annual report and financial statement for the fiscal year ended December 31, 1975 and the report of the auditors;
2. To elect directors;
3. To appoint auditors and to authorize the directors to fix their remuneration; and
4. To transact such further and other business as may properly come before the meeting.

DATED at Hamilton, Ontario, this 11th day of March, 1976.

By Order of the Board,

H. GRAHAM WILSON
Secretary.

Shareholders who are unable to attend the meeting in person are requested to date, sign and return, in the envelope provided for that purpose, the enclosed form of proxy.

INFORMATION CIRCULAR**SOLICITATION OF PROXY**

This information circular is furnished in connection with the solicitation of proxies by the management of Dominion Foundries and Steel, Limited for use at the annual meeting of the shareholders of the Company to be held on April 30, 1976. It is expected that the solicitation will be primarily by mail, but proxies may also be solicited personally or by telephone by regular employees of the Company. The cost of solicitation will be borne by the Company.

In addition to revocation in any other manner permitted by law, a shareholder giving a proxy may revoke the proxy by instrument in writing executed by the shareholder or by his attorney authorized in writing, or if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited either at the head office of the Company at any time up to and including the last business day preceding the day of the meeting, or any adjournment thereof, at which the proxy is to be used or with the chairman of such meeting on the day of the meeting, or adjournment thereof.

VOTING SHARES

As at February 15, 1976, 14,987,678 Class A Convertible Common Shares and 759,284 Class B Convertible Common Shares of the Company were outstanding. Each holder of either of such classes of shares of record on April 2, 1976 is entitled to attend the meeting and to one vote for each share. The 4% Cumulative Redeemable Preferred Shares, Series A of the Company do not entitle their holders to notice of or to vote at the meeting.

ELECTION OF DIRECTORS

Proxies in favour of management nominees will be voted for the following proposed nominees (or for substitute nominees in the event of contingencies not known at present) who will, subject to the by-laws of the Company, serve until the next annual meeting of shareholders or until their successors are elected or appointed in accordance with the by-laws. Each of the nominees listed below has been a director of the Company since the year indicated, and has advised that on February 15, 1976 he beneficially owned or exercised control or direction over the indicated number of shares.

Name, Principal Occupation and Offices with Significant Affiliates of the Company	Year Became Director	Common Shares	
		Class A	Class B
HARRY NORMAN BAWDEN Director of Dominion Securities Corporation Harris & Partners Limited (Investment Dealers).....	1950	100	—
GEORGE HENRY BLUMENAUER Chairman of the Board and President of Otis Elevator Company Limited (Elevators).....	1968	300	—
ROBERT ROSS CRAIG Officer of the Company (Executive Vice President—Commercial) Director of National Steel Car Corporation Limited and Prudential Steel Ltd.....	1966	1,299	—
ROGER GRAHAM DOE Partner of Campbell, Godfrey & Lewtas (Solicitors).....	1975	250	—
ROBERT CHIPMAN DOWSETT..... President of Crown Life Insurance Company (Insurance).....	1975	—	200
JOHN ROBERT EVANS President of University of Toronto (Education).....	1971	300	—
WILLIAM CARRUTHERS HASSEL Officer of the Company (Vice President—Operations) Director of National Steel Car Corporation Limited.....	1967	1,476	8,772
HOWARD JEROME LANG Chairman and Chief Executive Officer of Canron Limited (Manu- facturing).....	1968	600	—
JOHN DANIEL LEITCH President of Upper Lakes Shipping Ltd. (Transportation).....	1954	500	—
WILLIAM HAROLD REA Chairman of Great Canadian Oil Sands Limited (Oil Producing) ..	1964	2,000	—
JOHN GAVIN SHEPPARD Officer of the Company (Executive Vice President—Financial) Director of National Steel Car Corporation Limited and Chairman of the Board and Director of Prudential Steel Ltd.....	1966	543	6,000
FRANK HOWARD SHERMAN Officer of the Company (President and Chief Executive Officer) Director of National Steel Car Corporation Limited.....	1950	—	37,116

Mr. Roger Graham Doe, who was elected a director after the last annual meeting, has been a partner of Campbell, Godfrey & Lewtas (Solicitors) for the past five years.

MANAGEMENT REMUNERATION AND STOCK OPTIONS

Directors' and Officers' Remuneration from the Company and its Affiliates

Nature of Remuneration Earned

	Directors' Fees	Salaries	Bonuses	Non-accountable expense allowance	Other	Total
Remuneration of Directors (as Directors)						
(A) Number of directors: 12						
(B) Body Corporate incurring the expense:						
Dominion Foundries and Steel, Limited	\$83,335					\$83,335
Remuneration of Officers						
(A) Number of officers: 13						
(B) Body Corporate incurring the expense:						
Dominion Foundries and Steel, Limited		\$1,125,407			\$14,622 ⁽¹⁾	1,140,029
National Steel Car Corporation Limited	2,700					2,700
Prudential Steel Ltd.	1,500					1,500
Totals	\$87,535	\$1,125,407			\$14,622	\$1,227,564

Note 1: Amount allocated to officers under Employees' Deferred Profit Sharing Plan.

In the fiscal year ended December 31, 1975 the estimated aggregate cost to the Company and its subsidiaries of all benefits proposed to be paid under any pension or retirement plan upon retirement at normal retirement age of directors and officers of the Company was \$225,800.

Pursuant to an Employees' Stock Option Plan established on March 29, 1974 the directors of the Company have been authorized to grant options from time to time to officers and employees of the Company to purchase up to an aggregate of 480,000 of the unissued Class A Convertible Common Shares. All such options are to expire not later than March 28, 1984. Since January 1, 1975 none of such options has been granted to or exercised by directors or officers.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

Under existing policies of insurance the Company is entitled to be reimbursed for indemnity payments it is required or permitted to make to directors and officers. The directors and officers of the Company as individuals are insured for losses arising from claims against them for certain of their acts, errors or omissions as such. The policies provide maximum coverage in any one policy year of an aggregate of \$5,000,000 with a deductible of \$10,000. As at the date hereof all of the directors and officers of the Company (including the directors set forth above and David Alan Lindsey, Francis John McMulkin, William John Stewart, Jack Plumpton, David Hugh Samson, Paul Joseph Phoenix, Donald Alexander Rombough Pepper, each of whom is a Vice President of the Company, Thomas Van Zuiden, Treasurer, and Harold Graham Wilson, Secretary) are included as insureds under the policies. All premiums for the policies are paid by the Company. For the fiscal year ended December 31, 1975, \$14,185 was charged against income in respect of such premiums. The premiums for the policies are not allocated between directors and officers as separate groups.

APPOINTMENT OF AUDITORS

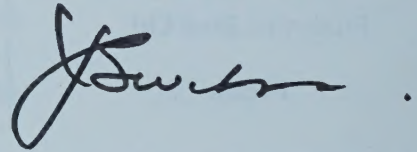
It is intended to vote proxies received in favour of management nominees to reappoint the firm of Clarkson, Gordon & Co., the present auditors, as auditors of the Company to hold office until the next annual meeting of shareholders and to authorize the directors of the Company to fix their remuneration.

MANNER OF VOTING PROXIES

The shares represented by any proxy in favour of management nominees will be voted or withheld from voting on the election of directors and the appointment of auditors in accordance with any specification made on the form of proxy and, in the absence of any such specification, will be voted for the election of the directors and for the appointment of the auditors specified in this information circular.

The management knows of no matters to come before the meeting other than the matters referred to in the notice of the meeting. However, if any other matters which are not now known to the management should properly come before the meeting, the form of proxy will be voted on such matters in accordance with the best judgement of the person voting the proxy, which confers such discretionary authority.

The contents and the sending of this information circular have been approved by the directors.



Secretary

DATED as of February 15, 1976